(c) The prices in the domestic market are reflective of the international prices. Unprecedented increase in prices of pepper during 1995-96 to 1999-2000 resulted in emergence of new players such as Vietnam. The high productivity of pepper coupled with negligible domestic consumption of pepper in such countries created an over supply position in the international market, causing prices to fall. The decline in prices of pepper in Indian market is a reflection of global price.

(d) No, Sir.

Imports of capital goods

3102. SHRI S. AGNIRAJ : Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) the total value of imports of capital goods under various heads and through many schemes of DGFT into the country during the last three financial years;

(b) the percentage of increase in imports;

(c) whether the liberalization of imports of capital goods has affected the domestic market; and

(d) if so, the steps taken to protect the domestic market?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY) : (a) The total value of import of goods under Chapter 84 (which primarily relates to capital goods) of the ITC (HS) Classification of Imports and Exports Book, during 1999-2000, 2000-01 and 2001-02 was Rs. 16805.86 crore, Rs. 19355.69 crore and Rs. 20265.19 crore respectively. During the same period, under EPCG scheme, licences were granted for import of capital goods against corresponding export obligation for Rs. 6623.7 crore, Rs. 6538.4 crore and Rs. 6655 crore, respectively.

(b) The rate of growth of import under Chapter 84 of ITC (HS) Classification of Imports and Exports Book was 15% in 2000-01 whereas the same was 5% in 2001-02.

(c) and (d) The liberalization of imports has created competitive market in the capital goods segment. The domestic manufacturers supplying against EPCG licences have been given deemed exports benefit so as to provide them the facility of duty free import of inputs under Advance Licence for deemed exports, refund of terminal excise duty and deemed exports drawback.